AND BROADCASTING (SHRI P.A. SANGMA): (a) Ninety six percent (approx), Sir.

(b) Five and a half percent, Sir.

(c) No, Sir.

Violation of norms by Punjab and Sind Bank

*237. SHRI GURUDAS DAS GUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item captioned "Punjab & Sind Bank violates norms to show profits" appearing in "Business Standard', death 20th September, 1995;

(b) if so, whether it is a fact that the auditors in their Audit Report have pointed out serious lapses and non-compliance of RBI guidelines;

(c) whether it is also a fact that the Chairman-cum-Managing Director of the bank whose term expired in May, 1995 has been given extension by setting aside all the norm and even without the recommendation of RBI; and

(d) if so, the action taken by Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBIPROSAD PAL): (a) Yes. Sir.

(b) Reserve Bank of India (RBI) has reported that the special inspection team deputed by the Department of Supervision to look into the issue raised by the Statutory Auditors of the Punjab & Sind Bank has in its preliminary report corroborated some of the deficiencies relating to income recognition, asset classification, provisioning etc. However, RBI has not yet come to a conclusion that the deficiencies are such that they merit action like recasting of the balance sheet.

(c) and (d) With the approval of the competent authority, Shri K.S. Bains, Chairman & Managing Director, Punjab & Sind Bank, has been advised to continue in office until further orders.

Violation of BIFR Directions by SBI Group of Banks

*238. SHRI RAJNI RANJAN SAHU: Will the Minister of FINANCE be pleased to state:

(a) whether the State Bank of India Group of Banks do not follow the directions and guidelines of BIFR in connection with rehabilitation package to sick industrial units;

(b) if so, the number of cases which have come to the notice of Government during the last three years; and

(c) the details of directions issued by BIFR since 1988 onwards, the number of sick industrial units rehabilitated by BIFR with the participation of the said group of Banks and whether the said group of Banks discharged financial obligations as per direction/decision of BIFR and IRBI during the same period?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBIPROSAD PAL): (a) State Bank of India (SBI) has reported that SBI Group follows the directions and guidelines of Board for Industrial and Financial Reconstruction (BIR) in connection with the rehabilitation packages to sick industrial companies.

(b) Does not arise.

(c) SBI has reported that out of 166 cases involving SBI Group where rehabilitation schemes have been sanctioned by the BIFR, 28 companies have so far been rehabilitated with the participation of SBI Group.

New Credit Policy of RBI

*239. SHRI SUSHIL KUMAR SAMBHAJIRAO SHINDE: SHRIMATI VEENA VERMA: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank has lately laid down a new credit policy to contain inflation;

(b) if so, what are the highlights of the new credit policy;

(c) what are the rates of interest thereunder